

January 15, 1997

EA 97-007

Mr. B. Ralph Sylvia
Executive Vice President Generation Business
Group and Chief Nuclear Officer
Niagara Mohawk Power Corporation
Nuclear Learning Center
450 Lake Road
Oswego, New York 13126

SUBJECT: NRC MAINTENANCE RULE TEAM INSPECTION REPORT NO. 50-220/96-12

Dear Mr. Sylvia:

This refers to the team inspection conducted on October 7-11, 1996, at Nine Mile Point Unit 1. The purpose of the inspection was to review the implementation of the Nine Mile Point Unit 1 maintenance rule program under 10 CFR 50.65. The enclosed report presents the results of this inspection.

Overall, the team judged the maintenance rule program for Nine Mile Point Unit 1 to be weak. We note that your program for implementing the maintenance rule paralleled the guidance provided in NUMARC 93-01, the industry guideline for the maintenance rule. Yet, we were disappointed with the number of areas in which the maintenance rule implementation at Nine Mile Point Unit 1 fell short of the NUMARC 93-01 guidance. We hope that your presentation at the predecisional enforcement conference, described below, will provide your perspectives on these concerns.

Based on the results of this inspection, four apparent violations were identified and are being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. Specifically, the apparent violations are: (1) the failure to establish adequate performance criteria regarding unavailability that would demonstrate appropriate preventive maintenance for numerous systems; (2) the failure to have goals and monitoring of an "(a)(1) system" capable of determining the effectiveness of previous corrective actions; (3) the failure to have effective monitoring and timely evaluation of "(a)(2) systems"; and (4) the failure to include six systems within the scope of the rule. Accordingly, no Notice of Violation is presently being issued for these inspection findings. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

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A predecisional enforcement conference will be arranged to discuss these apparent violations. The decision to hold a predecisional enforcement conference does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference is being held to obtain information to enable the NRC to make an enforcement decision, such as a common understanding of the facts, root causes, missed opportunities to identify the apparent violation sooner, corrective actions, significance of the issues and the need for lasting and effective corrective action. In particular, we expect you to address the scoping issues and the performance monitoring of risk-significant systems and components, both including the maintenance rule program and any other monitoring methods. In addition, this is an opportunity for you to point out any errors in our inspection report and for you to provide any information concerning your perspectives on 1) the severity of the violation, 2) the application of the factors that the NRC considers when it determines the amount of a civil penalty that may be assessed in accordance with Section VI.B.2 of the Enforcement Policy, and 3) any other application of the Enforcement Policy to this case, including the exercise of discretion in accordance with Section VII.

You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding the apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Sincerely,

ORIGINAL SIGNED BY:

A. R. Blough for

James T. Wiggins, Director
Division of Reactor Safety

Docket No. 50-220

Enclosure: NRC Inspection Report No. 50-220/96-12

B. Ralph Sylvia

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cc w/encls:

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